

2007 Financial Highlights^a

(In millions, except per-share amounts)	2007	2006	2005	2004	2003 ^c
Statement of Operations					
Total operating revenues	\$12,720	\$10,607	\$ 6,906	\$ 6,357	\$ 6,006
Total operating expenses	10,222	9,210	5,586	5,074	6,550
Gains on sales of investments in commercial and multi-family real estate	—	201	191	192	84
(Losses) gains on sales of other assets and other, net	(5)	223	(55)	(435)	(202)
Operating income (loss)	2,493	1,821	1,456	1,040	(662)
Total other income and expenses	428	354	217	180	326
Interest expense	685	632	381	425	431
Minority interest expense (benefit)	2	13	24	(15)	(79)
Income (loss) from continuing operations before income taxes	2,234	1,530	1,268	810	(688)
Income tax expense (benefit) from continuing operations	712	450	375	192	(288)
Income (loss) from continuing operations	1,522	1,080	893	618	(400)
(Loss) income from discontinued operations, net of tax	(22)	783	935	872	(761)
Income (loss) before cumulative effect of change in accounting principle	1,500	1,863	1,828	1,490	(1,161)
Cumulative effect of change in accounting principle, net of tax and minority interest	—	—	(4)	—	(162)
Net income (loss)	1,500	1,863	1,824	1,490	(1,323)
Dividends and premiums on redemption of preferred and preference stock	—	—	12	9	15
Earnings (loss) available for common stockholders	\$ 1,500	\$ 1,863	\$ 1,812	\$ 1,481	\$ (1,338)
Ratio of Earnings to Fixed Charges	3.7	2.6	2.4	1.6	— ^b
Common Stock Data					
Shares of common stock outstanding ^d					
Year-end	1,262	1,257	928	957	911
Weighted average — basic	1,260	1,170	934	931	903
Weighted average — diluted	1,266	1,188	970	966	904
Earnings (loss) per share (from continuing operations)					
Basic	\$ 1.21	\$ 0.92	\$ 0.94	\$ 0.65	\$ (0.44)
Diluted	1.20	0.91	0.92	0.64	(0.44)
(Loss) earnings per share (from discontinued operations)					
Basic	\$ (0.02)	\$ 0.67	\$ 1.00	\$ 0.94	\$ (0.86)
Diluted	(0.02)	0.66	0.96	0.90	(0.86)
Earnings (loss) per share (before cumulative effect of change in accounting principle)					
Basic	\$ 1.19	\$ 1.59	\$ 1.94	\$ 1.59	\$ (1.30)
Diluted	1.18	1.57	1.88	1.54	(1.30)
Earnings (loss) per share					
Basic	\$ 1.19	\$ 1.59	\$ 1.94	\$ 1.59	\$ (1.48)
Diluted	1.18	1.57	1.88	1.54	(1.48)
Dividends per share ^e	0.86	1.26	1.17	1.10	1.10
Balance Sheet					
Total assets	\$49,704	\$68,700	\$54,723	\$55,770	\$57,485
Long-term debt including capital leases, less current maturities	\$ 9,498	\$18,118	\$14,547	\$16,932	\$20,622

a Significant transactions reflected in the results above include: 2007 spinoff of the natural gas businesses (see Note 1 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Summary of Significant Accounting Policies"), 2006 merger with Cinergy (see Note 2 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Acquisitions and Dispositions"), 2006 Crescent joint venture transaction and subsequent deconsolidation effective September 7, 2006 (see Note 2 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Acquisitions and Dispositions"), 2005 DENA disposition (see Note 13 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Discontinued Operations and Assets Held for Sale"), 2005 deconsolidation of DCP Midstream effective July 1, 2005 (see Note 13 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Discontinued Operations and Assets Held for Sale"), 2005 DCP Midstream sale of TEPPCO (see Note 13 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Discontinued Operations and Assets Held for Sale") and 2004 sale of the former DENA Southeast plants.

b Earnings were inadequate to cover fixed charges by \$746 million for the year ended December 31, 2003.

c As of January 1, 2003, Duke Energy adopted the remaining provisions of Emerging Issues Task Force (EITF) 02-03, "Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and for Contracts Involved in Energy Trading and Risk Management Activities" (EITF 02-03) and SFAS No. 143, "Accounting for Asset Retirement Obligations" (SFAS No. 143). In accordance with the transition guidance for these standards, Duke Energy recorded a net-of-tax and minority interest cumulative effect adjustment for change in accounting principles.

d 2006 increase primarily attributable to issuance of approximately 313 million shares in connection with Duke Energy's merger with Cinergy (see Note 2 to the Consolidated Financial Statements in Duke Energy's 2007 Form 10-K, "Acquisitions and Dispositions").

e 2007 decrease due to the spinoff of the natural gas businesses to shareholders on January 2, 2007 as dividends subsequent to the spinoff were split proportionately between Duke Energy and Spectra Energy such that the sum of the dividends of the two stand-alone companies approximates the former total dividend of Duke Energy prior to the spinoff.

See Notes to Consolidated Financial Statements in Duke Energy's 2007 Form 10-K.